

MEMORIAL UNIVERSITY OF NEWFOUNDLAND

BOARD OF REGENTS

The regular meeting of the Board of Regents was held on Thursday, March 15, 2018 at 3:00 p.m. in the Junior Common Room, R. Gushue and via teleconference and videoconference.

PRESENT:

Ms. Iris Petten, Chair
Dr. Gary Kachanoski, President and Vice-Chancellor
Dr. Noreen Golfman, Provost and Vice-President (Academic)
Dr. Susan Dyer Knight, Chancellor
Ms. Margaret Allan
Ms. Michelle Baikie, via videoconference
Mr. Glenn Barnes
Mr. Robert Bishop
Mr. Mark Bradbury
Dr. Bud Davidge
Ms. Cathy Duke, via teleconference
Ms. Katharine Hickey
Ms. Margarete Leandre
Mr. Doug Letto, via teleconference
Mr. Denis Mahoney
Ms. Karen McCarthy
Alex Noel
Ms. Donna Rideout
Ms. Catherine Rowsell
Mr. Christian Samson
Ms. Sarah Stoodley
Ms. Eleanor Swanson
Mr. Dennis Waterman
Ms. Tina Scott, Secretary to the Board

APOLOGIES:

Apologies were received from Mr. Fred Cahill, Mr. Joe Dunford, Mr. John Gibbons, Dr. Rex Gibbons, Mr. Kelvin Parsons, Mr. George Saunders.

PRESENT BY INVITATION:

Mr. Kent Decker, Vice-President (Administration and Finance), Dr. Neil Bose, Vice-President (Research), Mr. Rob Shea, Acting Vice-President (Marine Institute), Dr. Jeff Keshen, Vice-President (Grenfell Campus), Mr. Glenn Collins, Interim Executive Director, Office of the Board of Regents, Mr. Morgan Cooper, General Counsel.

6485. MEETING CALLED TO ORDER

The meeting was called to order at 3:00 p.m. by Ms. Iris Petten, Chair.

The Chair welcomed the following newly appointed Lieutenant-Governor in Council representatives appointed for a term of three years effective February 21, 2018:

Mr. Doug Letto
Ms. Donna Rideout
Ms. Catherine Rowsell
Mr. Dennis Waterman

The Chair also acknowledged the following newly appointed members who were not available to attend today's meeting:

Mr. Fred Cahill
Mr. John Gibbons
Mr. Kelvin Parsons
Mr. George Saunders

The Chair then welcomed the following reappointed Lieutenant-Governor in Council representatives re-appointed for a term of three years effective February 21, 2018:

Mr. Mark Bradbury
Mr. Robert Bishop

The Chair extended a welcome to the following newly appointed student representatives:

Alex Noel – appointed as the Memorial University of Newfoundland Students' Union representative for a term of two years effective December 20, 2017
Mr. Christian Samson – appointed as the Marine Institute Students' Union representative for a period effective December 20, 2017 to October 14, 2018 and for a two year term thereafter.

6486. APPROVAL OF THE AGENDA

The Chair acknowledged with apologies the compressed time frame for onboarding activities for new members including the signing of Undertaking of Confidentiality forms, Conflict of Interest disclosures, orientation, set-up of the Board portal and the like. Ms. Petten noted that since the agenda and materials for today's meeting were not available to new members in an ideal time frame, members should feel free to ask questions and/or request more time to review or seek additional context for any agenda item.

Following the call for the approval of the agenda, Ms. Petten provided members and those present by invitation with the opportunity to declare if they were in a conflict of interest position or a potential conflict of interest position with regard to any agenda items.

At the request of Mr. Mark Bradbury, and as a result of additional information received since the meeting of the Audit and Risk Committee held on March 7, 2018, relating to Agenda Item 10.1 "Intellectual Property", it was agreed to defer consideration of the item until such a time as the Audit and Risk Committee has had an opportunity to consider the additional information.

Dr. Kachanoski, Dr. Golfman and all other employees of the University in attendance declared a conflict with Agenda Item 9.2 "Administrative Budget for the Memorial University Pension Plan for 2018-2019", Agenda Item 9.3 "Assumptions for December 31, 2017 actuarial valuation of the Memorial University Pension Plan", Agenda Item 15.1 "Renewal of the University's Group Benefit Plans for the Policy Year beginning April 1, 2018".

Mr. Bradbury declared a conflict with Agenda Item 9.2 "Administrative Budget for the Memorial University Pension Plan for 2018-2019", Agenda Item 9.3 "Assumptions for December 31, 2017 actuarial valuation of the Memorial University Pension Plan", Agenda Item 15.1 "Renewal of the University's Group Benefit Plans for the Policy Year beginning April 1, 2018".

Ms. Stoodley declared a conflict with Agenda Item 15.1 "Renewal of the University's Group Benefit Plans for the Policy Year beginning April 1, 2018".

The agenda as amended was approved by the Board.

Alex Noel abstained from voting and requested that their vote be recorded in these Minutes.

6487. MINUTES

The Minutes of the regular meeting of the Board of Regents held on December 7, 2017 were approved by the Board.

Alex Noel abstained from voting and requested that their vote be recorded in these Minutes.

6488. CHAIR'S REPORT

A. Meeting of the Executive Committee – February 21, 2018

The Chair noted that the Executive Committee met on February 21, 2018 to finalize and fine tune the agenda for today's meeting. Ms. Petten also noted that one of the objectives of the Executive Committee is to act for the Board on any matter within the jurisdiction of the Board pursuant to The Memorial University Act, where decisions are required to be made and action taken between regularly scheduled meetings of the Board of Regents and where the Board has otherwise delegated specific responsibilities to the Executive Committee.

With that in mind, at its February 21, 2018 meeting, the Committee exercised its authority to act on behalf of the Board and approved the following:

- Approval of Calendar changes arising from the Senate meeting of November 14, 2017
- Approval of Calendar changes arising from the Senate meeting of December 12, 2017
- Approval of the new degree program – Bachelor of Environment and Sustainability arising from the Senate meeting of December 12, 2017
- Approval of the new degree program – Bachelor of Human Kinetics and Recreation Co-operative (BHKRC) arising from the Senate meeting of January 9, 2018
- Restructuring - Chief Information Officer (CIO) and Director, Information Technology Services; and confirmation of appointment
- Appointment of the Acting Vice-President (Marine Institute)
- Approval of Temporary Assignment: Associate Vice-President (Academic and Student Affairs) Marine Institute

Ms. Petten noted that the background documentation regarding each of these items was provided in the Board package.

6489. PRESIDENT'S REPORT

A. President's Update of Activities

Dr. Kachanoski provided the Board with a written summary of his activities and University events since the December 2017 meeting of the Board and he provided the Board more detail and context on several of these activities and events.

B. Registration Report for Winter 2018 Semester

The Board received and reviewed a progress report regarding enrolments and registration for the Winter 2018 Semester.

OPEN SESSION - CONSENT AGENDA

It was moved by Mr. Bradbury, seconded by Mr. Barnes and carried that the consent agenda, as recommended by the appropriate Board Committee and comprising the resolutions listed in 6490 through 6494 below be approved as follows:

Alex Noel abstained from voting and requested that their vote be recorded in these Minutes.

6490. SENATE MATTERS

- A. Senate matters with implications for the Board of Regents (January 9, 2018): Approval of Calendar Changes

The Board received background information pertaining to the Senate matters with implications for the Board of Regents arising from the Senate meeting held on January 9, 2018 and approved the Calendar changes as outlined in the background documentation.

- B. Senate matters with implications for the Board of Regents (February 13, 2018): Approval of Centre for Energy Systems Research

The Board received background information pertaining to the Senate matters with implications for the Board of Regents arising from the Senate meeting held on February 13, 2018 and approved the establishment of the Centre for Bioethics Energy Systems Research and as outlined in the background documentation.

6491. AUDIT AND RISK COMMITTEE

- A. Policy Development Report

The Board received for information the Policy Development Report. Since 2015, an annual report has been provided to the Audit and Risk Committee of the Board of Regents relating to policy development objectives and progress, through the lens of the Risk Framework. A copy of the annual report (December 2017) on the program of policy development at Memorial University was provided in the background documentation.

- B. Policy Deletion – Publications

The Board received background information and agreed to the deletion of the "Publications" Policy and related procedures and as outlined in the background documentation.

6492. CAMPUS PLANNING AND DEVELOPMENT COMMITTEE

A. Update on Capital Projects

The Board was advised that the following capital projects are underway or being planned:

Projects in Progress

St. John's Campus

1. Aboriginal Centre
2. Core Science Facility
3. Battery Property
4. Animal Resource Centre

Projects in Planning Stages

St. John's Campus

1. Faculty of Engineering and Applied Science – Mechanical Engineering High Bay Laboratory
2. Faculty of Engineering and Applied Science – Petroleum Engineering Building
3. Faculty of Humanities and Social Sciences Research Archival Facility
4. Redevelopment of Reid Theatre

Marine Institute

1. Holyrood Marine Base – Phase IIB Ocean Research and Training Building

Projects in Early Stages

1. Faculty of Medicine – Redevelopment of Existing Space
2. Storage Facility, Mount Scio Road
3. School of Pharmacy Extension

The Board was advised that the projects in progress are on time and on budget unless otherwise noted.

This item was received for information and did not require a resolution of the Board.

B. Core Science Facility (CSF) Status Update

The Board received for information the Core Science Facility (CSF) Status update. Construction Packages CP-1 and CP-1A have been fully executed and are complete. It was noted that the scope of CP-2 was included in the CP-3R contract. The Board also received more detail on the status of the CP-3R Main Building (and Structural Steel) contracts as well as other project updates.

C. Core Science Facility (CSF) Loan Agreement

The Board received for information an update pertaining to the Core Science Facility Loan Agreement. At a meeting held on December 5, 2013, the Board approved the financing/contribution plan for the Core Science Facility as follows:

Provincial Government (Hebron Settlement)	\$125 Million
Debt issued by Memorial University	\$175 Million
Memorial Capital Matching Fund	\$ 25 Million

Total \$325 Million

Since that time there have been two amendments to the plan as follows:

- The University received a contribution of up to \$100 Million from the Government of Canada thus reducing the required Provincial contribution by an equal amount.
- The Province committed to borrow Memorial's \$175 Million contribution and lend it to Memorial.

Memorial and the Province have now executed the Loan Agreement for the \$175 million Memorial contribution and the Province has commenced advancing funds as provided in the background documentation. Interest during the construction period will be charged at short term borrowing rates and funded by the annual \$2.4 million matching fund grant received by Memorial. Interest charged on the long term loan will be at the cost of borrowing for the Province with the principal being repaid over 30 years from efficiency savings at Memorial.

It was noted that a briefing on the Core Science Project and financing will be provided to new board members at a future meeting.

6493. FINANCE COMMITTEE

A. Approval of Trading Resolution for CIBC World Markets Inc.

The Board received background information and approved the Trading Resolution for CIBC World Markets Inc. as outlined in the background documentation and as follows:

BE IT RESOLVED THAT:

1. The Client establish and maintain one or more accounts, which may be margin accounts, with CIBC and/or any CIBC Entity (each, an "account").

Approval of Trading Resolution for CIBC World Markets Inc. (cont'd)

2. Any one representatives of the Client specified in paragraph 5 below, is hereby authorized to give written or oral instructions with respect to purchases and sales (including short sales) in securities (including options) and any other transactions in the accounts; to borrow money from or through CIBC and/or any CIBC Entity and to secure payment thereof by hypothecating or otherwise charging any property of the Client; to bind and obligate the Client to and for the carrying out of any contract, arrangement or transaction made with CIBC and/or any CIBC entity, to pay such sums as may be necessary in connection with the accounts; to give instructions with respect to the delivery or transfer of securities; to endorse any securities and/or contracts in order to pass title thereto; to direct the sale or exercise of any right with respect to any securities; to sign for the Client, and deliver on its behalf all releases, powers of attorney and/or other documents in connection with the accounts; and generally to do and take all actions as are deemed by any such representative(s) to be necessary or proper in connection with transactions in securities for and on behalf of the Client.

3. This resolution shall remain in force and be binding upon the Client until a copy, certified by an Authorized Representative of the Client, of a resolution repealing or replacing this resolution shall have been received by the relevant CIBC Entity.

4. The representative(s) listed in paragraph 5 below has (have) authority to give instructions for the payment of funds and the delivery of securities to the custodian of the Client.

5. All acts and things done and documents executed on behalf of the Client, as hereinbefore authorized, may be relied upon by CIBC and shall be valid and binding upon the Client.

Name of Representative	Capacity or Title
Kent Decker	Vice-President (Administration and Finance)
Deborah Collis	Director, Financial and Administrative Services
Peter Mooney	Senior Financial Analyst

B. Administrative Budget for the Memorial University Pension Plan for 2018-2019

The Board received background information and approved the proposed budget for the internal administrative expenditures of the Memorial University Pension Plan for the fiscal year April 1, 2018 to March 31, 2019, and as outlined in the background documentation.

C. Assumptions for December 31, 2017 Actuarial Valuation of the Memorial University Pension Plan – also on the Human Relations Committee agenda

The Board received background information and approved the assumptions for the December 31, 2017 actuarial valuation of the Memorial University Pension Plan and as outlined in the background documentation.

6494. HUMAN RELATIONS COMMITTEE

A. Assumptions for December 31, 2017 Actuarial Valuation of the Memorial University Pension Plan – also on the Finance Committee agenda

This item was considered under the report of the Audit and Risk Committee as outlined in the Minute 6494.C above.

OPEN – DISCUSSION AGENDA

6495. CAMPUS PLANNING AND DEVELOPMENT COMMITTEE

A. Transportation Strategy

The Board received for information an update regarding the transportation strategy.

Mr. Mahoney, Vice-Chair of the Board, introduced this item on behalf of Dr. Rex Gibbons who was unable to attend today's meeting. Mr. Mahoney outlined the development of the strategy to this date and invited Ms. Ann Browne, Associate Vice-President (Facilities) to present the "Memorial University Transportation Strategy".

Ms. Browne advised that at the December 2016 and March 2017 meetings of the Board of Regents, updates were provided on two items relating to the University's overall parking and transportation challenges. These included a Universal Transit Pass (UPass) program as well as the MUN Area Traffic Study, both of which have also been active topics of discussion at the Memorial University Parking and Transportation Solutions Committee which formed in Fall 2015.

At the March 2017 meeting of the Board of Regents, direction was provided to the Administration to continue to advance both initiatives as they relate to the University's overall transportation strategy. The Administration has continued their work accordingly and have the following updates to bring forward at this time.

Transportation Strategy (cont'd)

UPASS

Over the last number of months, members of the University Administration have been working with a variety of stakeholders on a potential UPass program for Memorial University. UPass programs have been successful at post-secondary institutions across the country, and are typically comprised of a pass (i.e. bus pass) which provides users with unlimited access to an entire public transportation network. In March 2017, the Board of Regents agreed to strike an ad hoc committee of the Campus Planning and Development Committee with a mandate to:

- meet with the Project Team to review the work completed on the UPass;
- evaluate options and scope of this initiative;
- present a recommendation to the Campus Planning and Development Committee and the Board at their May 11, 2017 meetings regarding an implementation plan for a regional transit solution for Memorial University and if appropriate, identify options for engaging other potential beneficiaries for this regional transit solution.

Following from the March 2017 meeting of the Board of Regents, a call was initiated for interested participants from the Campus Planning and Development Committee to join the ad hoc committee. The ad hoc committee held a meeting on May 10, 2017 and discussed the UPass initiative further as well as its potential as a regional transit solution.

As was presented at the October 2017 Board meeting, the ad-hoc committee members agreed on the following principles to guide the group's work on this initiative:

- 1) The UPass initiative should ultimately be implemented via a referendum of students once the parameters of the program have been finalized. While precise details of the referendum are to be determined, the referendum should however be called and administered by the University Administration, to be inclusive of all students included in the proposed program simultaneously, with the outcome determined by the majority of those who vote.
- 2) The University Administration should engage in discussions with its partners along the Prince Philip Drive corridor (Eastern Health, Government of Newfoundland and Labrador and College of the North Atlantic) to determine their respective interest in participating in a potential UPass program.

Transportation Strategy (cont'd)

- 3) The University Administration should take steps to address the heavily subsidized parking rates currently charged to Faculty, Staff and Students.
- 4) The University Administration should stop constructing new parking spaces on campus (surface and garage) – until at least such a time as parking provision adheres to a cost recovery model and/or alternative public transportation modes such as UPass are put into effect.

Since the last Board of Regents meeting, the Administration has hosted a presentation for potential partners and has continued to meet with representatives of Eastern Health, College of the North Atlantic as well as Government of Newfoundland and Labrador on the subject of UPass. Responses are expected from each group regarding their level of interest in a potential program during February & March 2018.

Upon confirmation of interest from potential partners, the Administration's next step is to schedule a meeting of the Campus Planning and Development's UPass sub-committee to discuss the matter further. It is anticipated that a recommendation will be brought forward to the Campus Planning and Development committee from UPass sub-committee regarding a potential program for Memorial University at the May 2018 Board of Regents meeting.

MUN Area Traffic Study

The MUN Area Traffic Study was commissioned in 2014 by the City of St. John's, Memorial University of Newfoundland and the Provincial Department of Health and Community Services to examine the longer term transportation infrastructure needs in and around the university area.

The study provides a broad range of transportation infrastructure recommendations for consideration over the short to long term in the university area. The Board of Regents provided its support for the prioritization of transportation infrastructure needs via e-mail poll following the March 2017 meeting of the Board of Regents. Thereafter, the Administration prepared a proposed funding split for the transportation infrastructure projects, which was reported to the Campus Planning and Development Committee of the Board of Regents at its June 2017 meeting.

Following the public release of the study in summer 2017, and municipal elections in fall 2017, the Administration has worked with its partners at the City of St. John's toward submitting a letter to the provincial government in the spirit of advancing priority projects recommended in the study and to seek funding opportunities to complete these projects.

Transportation Strategy (cont'd)

A joint letter (as provided in the background documentation as Appendix A) has now been sent to Government of Newfoundland and Labrador officials to request a meeting to discuss the study and next steps.

Mr. Mahoney noted that the ad hoc Committee will be meeting in the coming months and invited members to advise the Secretary to the Board whether they would be interested in serving on the ad hoc committee.

This item was received for information and did require a resolution of the Board.

B. Marine Institute Campus Renewal Initiatives – also on the Finance Committee agenda

This item was considered under the report of the Finance Committee as outlined in the Minute 6496.D below.

6496. FINANCE COMMITTEE

A. St. John's Campus Parking Revenue

The Board received and reviewed background information pertaining to the St. John's Campus parking revenue.

Board members were advised that at the July 6, 2017 meeting of the Board of Regents, the Board approved two principles related to parking as follows:

- The University Administration should take steps to address the heavily subsidized parking rates currently charged to faculty, staff and students.
- The University Administration should stop constructing new parking spaces on campus (surface and garage) – until at least such a time as parking provisions adhere to a cost recovery model and/or alternative public transportation modes such as UPass are put into effect.

The current fees charged for parking permits (as provided in the background documentation as Appendix A) on the St. John's campus do not generate substantive revenue, nor do they encourage members of the University community to avail of alternative forms of transportation which would align with sustainability goals, and decreased reliance on parking lots. The University's estimated total costs for parking permit lots is \$1,095,000 per year for 3,044 parking spaces which is offset by revenues of approximately \$288,500 in permit sales (further detail was provided in the background documentation as Appendix F: Table 2).

St. John's Campus Parking Revenue (cont'd)

Memorial University has the lowest parking permit rates when compared to 22 Canadian universities (As provided in the background documentation as Appendix B). However, increases to parking rates are limited by two collective agreements (as provided in the background documentation as Appendix C).

Analysis

There is an opportunity to increase parking permit revenue. Section 35 Parking and traffic regulations of the Memorial University Act states in 35.2 that the Board may prescribe fees for the purpose of this Act.

There is currently no set methodology for pricing parking lots. To create consistency a new pricing model (as proposed in the background documentation as Appendix D) has four variations. Memorial will continue to address the parking rate restraints as outlined within the Collective Agreements. However, there can be exceptions within this model for MUNFA and CUPE prescribed rates.

Permit rates can therefore be increased, while providing suitable pricing models in line with clauses in the MUNFA and CUPE collective agreements. In the proposed model, MUNFA members will continue at their current rates and parking lots, with a yearly increase of 5 percent. CUPE members will be provided parking at St. James Church, at their current rate (496 members, as provided in the background documentation as Appendix E). CUPE members will have the option to obtain parking closer to campus at the higher rates.

These proposed increases in permit rates will generate an estimated \$224,000 in additional revenue each year (as provided in the background documentation as Appendix F: Table 1) for the University. This model and rate increase is an incremental step toward recovering the full costs associated with permitted parking on the St. John's Campus.

It was moved by Mr. Bishop and seconded by Mr. Bradbury that the Board approve the permit rate increase for students, faculty, and staff as follows:

St. John's Campus Parking Revenue (cont'd)

Type	Old rate (per annum)	New rate (per annum)
Economy Parking Arts & Culture and St. James Church	\$39.63	\$39.63
General 1A, 2, 3, 5, 7, 7A, 8, 10, 10A, 11, 12, 14, 15, 15A, 16A, 18, 19, 20, 21, 24, 26, 27, 31, 36, 37, 62, 65	\$39.63, \$52.84 \$66.04 or \$180.31	\$200
Prime 4, 6, 15B, 15C, 17, 22, 23, 25, 28, 29	\$39.63, \$52.84, \$66.04, \$79.26 or \$137.34	\$250
Ultra-Prime 1, 30 & 60	\$137.34, \$180.31 or \$275.19	\$350
MUNFA: 60	\$271.93	\$285.53
MUNFA: 30 & 27	\$178.17	\$187.08
MUNFA: 1, 25 & 28	\$135.71	\$142.50
MUNFA: 4	\$78.32	\$82.24
MUNFA: 1A, 2, 3, 5, 6, 7A, 10, 10A, 15A, 15B,	\$65.26	\$68.52
MUNFA: 7, 15, 16, 17, 18, 19, 20, 26, 62	\$52.21	\$54.82
MUNFA: 8, 11, 12, 14, 16A, 22, 24, 36, 37, 50,	\$39.16	\$41.12
Evenings/Weekends <i>Half of daytime undergrad student rate</i>	\$18.00	\$100, \$125 or
Undergrad Student Daytime Parking <i>Prorated staff rate</i>	\$36.00	\$200, \$250 or
Graduate Daytime parking <i>Prorated staff rate</i>	\$39.63, \$52.84, \$66.04, \$79.26, \$137.34, \$180.31 or \$275.19	\$200, \$250 \$350
Motorcycle Permits	\$9.11	\$50

St. John's Campus Parking Revenue (cont'd)

After a lengthy discussion, the following resolution, which was moved by Alex Noel and seconded by Christian Samson, was passed by a majority vote:

RESOLVED:

That the Board of Regents table consideration of the St. John's Campus Parking Revenue until further consultation has occurred particularly with students. Further, it was agreed that this item be re-considered at a future meeting of the Finance Committee and the Board following such consultation.

B. Increase to Memorial University's Student Employment Pay Rates

The Board received and reviewed background information pertaining to an increase to Memorial University's student employment pay rates.

Board members were advised that on February 20, 2018, Government announced changes to the minimum wage system in Newfoundland and Labrador, where future minimum wage increases will occur in April of each year and will be tied to the national consumer price index.

Effective April 1, 2018, the minimum wage rate will increase from \$11.00 to \$11.15 per hour. Government's student compensation policy states that student rates will be calculated at the rate of \$2.65 above the minimum wage rate. Given this, the Government student rate will increase to \$13.80/hour effective April 1, 2018. Historically, Memorial has generally followed Government's practice for student pay rates.

Following the system above for Government student rate increases, the proposed adjusted student rates at Memorial are shown below. The only rates affected by the minimum wage calculation would be as per the chart below.

Employment Group	Current Hourly Rate	Revised Hourly Rate
Academic/Non-Academic	\$13.1	\$13.80
Lab Demonstrators, Markers, IT Assistants, Student Supervisors, Writing Centre Tutors (plus \$2/hour)	\$15.1	\$15.80
MUCEP/ISWEP	\$13.1	\$13.80

Work term student rates (e.g. Undergraduate, Masters, etc.) are only affected by general economic increases applied to Government salaries, as they are calculated based on a percentage of Government employee pay rates. However, where any of Government's work term student rates fall below the rate for other students based on the percentage calculation, the regular student rate would be applied. Work Term I students completing diploma programs would fall below the student rate; therefore, the proposed adjusted rate for this group is shown below:

Increase to Memorial University's Student Employment Pay Rates (cont'd)

Program	Current Hourly Rate	Revised Hourly Rate
Work Term I – Diploma Program (e.g. CNA)	\$13.15	\$13.80

Generally, Memorial employs six students or less at this rate in any given semester, varying from 1-3 student in a full-time (35 hours/week) capacity. The increased cost would be approximately \$318 per full-time student. As work term positions are not centrally funded, the increased cost would be incurred by individual University departments.

Student Life - Career Development, and the Deputy Provost's office have been consulted and are in agreement with both the proposed wage increase of \$0.65 per hour for the current year and the implementation of student wage increases for future years to coincide with Government's setting of the minimum wage rate, citing reasons of competitiveness and equity. They also recognize that this may result in fewer MUCEP appointments in the next fiscal year stemming from the rate increase being applied across a fixed budgetary allotment. Barring any increase to the MUCEP funding allocation, the number of MUCEP students employed on an annual basis is expected to decline by 30, down from 823 to 784 students.

For the 2018-19 fiscal year, an effective date of May 1, 2018 is recommended, as it aligns appropriately with student employment commencing in the spring semester. Given the new system will provide advance notice of wage changes, it is recommended that subsequent student rate increases be implemented upon the effective date of the change in the minimum wage rate, which is expected to be April 1 of a given calendar year.

After a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the adoption of Government's practice of compensating students at minimum wage plus an established student increment (currently \$2.65 per hour), effective May 1, 2018 for the current fiscal year and effective April 1 for subsequent fiscal years and as outlined in the background documentation.

C. Increase in Student Union Membership Fees for the 2018-2019 Academic Year

The Board received and reviewed background information pertaining to the increase in Student Union membership fees for the 2018-2019 Academic Year.

Board members were advised that the Memorial University of Newfoundland Students' Union (MUNSU), Graduate Students' Union (GSU) and Marine Institute Students' Union (MISU) are members of the Canadian Federation of Students (CFS). Students who are members of MUNSU, GSU and MISU therefore pay a national and provincial levy to CFS.

In accordance with the by-laws of the CFS national and provincial membership fees are adjusted each academic year by the rate of change in the National Consumer Price Index during the previous calendar year.

The CFS fee for 2017-2018 was \$8.98 per semester for both full and part time students. A fee increase of 1.5969% relative to the National Consumer Price Index is proposed. This translates into a charge of \$9.14 per semester for students. The revenues from the fee increase will be divided equally between the Canadian Federation of Students and the Canadian Federation of Students – Newfoundland and Labrador.

Additionally, membership fees for MUNSU are adjusted annually in accordance with the CPI Increase for St. John's (as opposed to the National Consumer Price Index). The current MUNSU membership fee for full-time students is \$46.16 and \$19.78 for part-time students. MUNSU is requesting that the amount be increased to incorporate the CPI increase for St. John's of 2.3% for the 2018- 2019 academic year. The MUNSU membership fee for full-time students will increase from \$46.16 to \$47.22, and the membership fee for part-time students will increase from \$19.78 to \$20.23.

After a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the increase in student union membership fees for the 2018-2019 academic year as outlined in the background documentation and as follows:

- An increase in the CFS Fee for MUNSU, GSU and MISU from \$8.98 to \$9.14 for full and part-time students for the Fall and Winter semesters only, effective September 1, 2018. This fee will be divided equally with \$4.57 per semester going to the Canadian Federation of Students and \$4.57 per semester going to the Canadian Federation of Students – Newfoundland and Labrador.

Increase in Student Union Membership Fees for the 2018-2019 Academic Year (cont'd)

- An increase in the MUNSU membership fee from \$46.16 to \$47.22 for full-time students and from \$19.78 to \$20.23 for part-time students effective September 1, 2018.

D. Marine Institute Campus Renewal Initiatives – also on the Campus Planning and Development Committee

The Board received and reviewed background information pertaining to the Marine Institute Campus Renewal Initiatives.

Board members were advised that at its May 11, 2017 meeting, the Board of Regents approved a Campus Renewal Fee of \$50 per student per semester to be implemented in fall 2017. The total Campus Renewal Fees budgeted for the Marine Institute campus for the fall 2017 and winter 2018 semesters is \$273,000.

The Marine Institute Executive Committee proposes initiatives totaling \$616,500 as follows:

Initiative	Amount
Student Computer Lab – Year 1	\$87,500
Classroom Technology – Year 1	\$175,000
Recreation/Fitness Equipment	\$27,500
MISU Office – Electronic Door Access	\$1,500
Cafeteria Common Area Furniture	\$75,000
Cafeteria Renovation/Upgrade	\$250,000
TOTAL	\$ 616,500

Funding will be allocated to these initiative as follows:

Initiative Funding	Amount
Campus Renewal Fee	\$273,000
Marine Institute Operating	\$343,500
TOTAL	\$ 616,500

It was noted that the proposed initiatives have been reviewed and supported by the Marine Institute Students' Union (MISU). In addition, the initiatives were endorsed by Vice-Presidents Council on January 9, 2018.

After a discussion, the following resolution was passed:

RESOLVED:

That the Board of Regents approve the allocation of \$273,000 Campus Renewal Revenue to the initiatives as outlined above.

Marine Institute Campus Renewal Initiatives (cont'd)

Alex Noel abstained from voting and requested that their vote be recorded in these Minutes.

Ms. Brown left the meeting at this point.

CLOSED SESSION – CONSENT AGENDA

Ms. Petten provided members and those present by invitation with the opportunity to declare if they were in a conflict of interest position or a potential conflict of interest position with regard to any agenda items.

Noting that the items were dealt with in detail in meetings of the appropriate committees, it was moved by Ms. Allan, seconded by Ms. Stoodley and carried that the consent agenda, comprising the resolutions listed in 6497 through 6499 below be approved as follows:

Alex Noel abstained from voting and requested that their vote be recorded in these Minutes.

6497. AUDIT AND RISK COMMITTEE

A. Policy Submission – Leave Management and deletion of existing Policies – also on the Human Relations Committee agenda

This item was considered under the report of the Human Relations Committee as outlined in the Minute 6498.D below.

B. Appointment to Campus Childcare Inc. Board of Directors

The Board was informed that at a meeting held on March 7, 2018, the Audit and Risk Committee approved the appointment to the Campus Childcare Inc. Board of Directors effective March 15, 2018 as outlined in the background documentation and as follows:

- Dr. Margo Wilson, Staff Physician, Eastern Health – Emergency Medicine Program, as a parent representative for a two-year term effective March 15, 2018.

C. Appointment to Genesis Group Inc. Board of Directors

The Board was informed that at a meeting held on March 7, 2018, the Audit and Risk Committee approved the appointment to the Genesis Group Inc. Board of Directors as outlined in the background documentation and as follows:

- Mr. Bill Radford, appointed as Community representative for a term effective March 15, 2018 to June 30, 2019.

D. Annual Internal Audit Plan

The Board received background information and approved the Annual Internal Audit Plan for 2018-19 and as outlined in the background documentation.

E. Update on Information Security Improvement Program (ISIP) Plan in response to Information Technology (IT) Security Risk Assessment

The Board received for information an update on the Information Security Improvement Program (ISIP) Plan in response to Information Technology (IT) Security Risk Assessment. In 2016/17 the Office of Internal Audit engaged Deloitte to conduct an IT Security Risk Assessment focused on five specific IT units within Memorial University: St. John's Campus, Grenfell Campus, Marine Institute, Faculty of Medicine and the Centre for Health Information and Analytics. The objective was to identify and assess the University's current cybersecurity posture and risks across its critical IT functions and units. It was noted that the Board received the Auditor's Report at its July 2017 meeting and has received a report on follow up action at all subsequent meetings.

6498. HUMAN RELATIONS COMMITTEE

A. Senior Leadership Position vacancies and upcoming renewals

The Board received for information a status update regarding senior leadership position vacancies and their associated recruitment status and senior leadership positions held by academic administrators which may be renewed, following a five-year term, subject to review.

B. Report on Academic Appointments

The Board received for information the Report on Academic Appointments for the St. John's and Grenfell Campuses for actions taken since December 7, 2017 noting that the actions have been taken under delegated authority as provided for in the Terms of Reference for the Human Relations Committee.

C. Update – Compensation review for Senior Administrative Management (SAM) Positions

The Board received for information an update of the compensation review for Senior Administrative Management (SAM) positions. In 2016, Korn Ferry/Hay Group Limited (Korn Ferry) was engaged to begin a review of compensation for the Senior Administrative Management (SAM) group. In conjunction with the Department of Human Resources, work was undertaken to review and analyze salaries in comparison to similar positions within Canadian Universities. It is anticipated that recommendations will be provided to the Board in 2018.

D. Policy Submission – Leave Management and deletion of existing Policies – also considered by the Audit and Risk Committee

The Board received background information and approved to the policy submission "Leave Management" as outlined in the background documentation and as follows:

- a) New Leave Administration Policy and related procedures.
- b) Deletion of the following existing policies and procedures, as a result of the approval of the Leave Administration policy and procedures:
 - Deferred Salary Leave Program
 - Leave Without Pay
 - Recognizing Previous Service for Determining Annual Vacation Entitlement
 - Work Flex Program.

E. Renewal of the University's Group Benefit Plans for the Policy Year beginning April 1, 2018 – also on the Finance Committee agenda

The Board received background information and approved the renewal of the University's group benefit plans for the policy year beginning April 1, 2018 as outlined in the background documentation and as follows:

- Basic life insurance plan at a 7.8% rate increase;
- Dependent life insurance plan at the existing rate;
- Optional life insurance plan at the existing rate;
- Optional spousal and dependent child life insurance plans at the existing rates;
- Basic and optional accidental death and dismemberment plans at the existing rates;
- Voluntary accidental death and dismemberment plan at the existing rates;
- Long term disability plan at a 2.3% rate increase;
- Supplementary health plan at a 7.5% rate increase;
- Travel health insurance plan at a 7.1% rate decrease; and,
- Dental plan at existing rates.

Further, the Board approved the recommendation of the Administration as follows:

- iii) Aggregate stop loss pooling be removed from the dental plan.

Mr. Bradbury and Ms. Stoodley and all employees of the University in attendance declared a conflict of interest as previously indicated and abstained from voting.

Renewal of the University's Group Benefit Plans for the Policy Year beginning April 1, 2018 (cont'd)

Alex Noel and Christian Samson abstained from voting and requested that their vote be recorded in these Minutes.

6499. FINANCE COMMITTEE

A. Renewal of the University's Group Benefit Plans for the Policy Year beginning April 1, 2018 – also on the Human Relations Committee agenda

This item was considered under the report of the Human Relations Committee as outlined in the Minute 6498.E above.

B. Update on the University's 2017-18 Financial Position

The Board received for information an update on the University's 2017-18 financial position.

On May 11, 2017, the Board of Regents approved the budget estimates for the fiscal year 2017- 18, with the exception of the Faculty of Medicine.

A review of actual revenue and expenditures has been completed as of January 31, 2018. At this time, total operating expenditures for 2017-18 are projected to be under budget by approximately \$2,874,186 (as provided in the background documentation as Appendix A). The majority of the change from the previously reported projected 2017-18 deficit is due to a change in the projected year end position for the Faculty of Medicine. One-time funding totaling \$5.6 million from the Department of Health and Community Services is anticipated to cover the 2017-18 operating deficit.

At this time \$10.7 million one-time is projected to be added to Strategic Initiatives/Committed Funding by year end. The majority of this funding is comprised of \$9.4 in faculty and staff turnover. When faculty and staff leave Memorial University, the Administration recovers salary steps above the base salary levels from Departmental budgets and sets it aside to fund the steps of the new employees hired to replace those who left. During periods when many staff leave there will be a positive balance in these accounts that will be offset by periods when there is little turnover. This model ensures the long term sustainability of the University's salaried positions. This model was employed when the Province stopped funding steps as a separate cost a few years ago. During the current period of fiscal challenge, with the new base budget cuts of \$23 million per year in the next two years, it may become necessary to temporarily borrow against these funds for costs associated with transitioning to a smaller workforce. Any such proposal would be made in a structured manner with appropriate accountability mechanisms. The balance of the projected Strategic Initiatives/Committed Funding is \$1.3 million and will be added to funds available for MUNFA Professional Development and Travel Expense Reimbursement (PDTER). These

Update on the University's 2017-18 Financial Position (cont'd)

funds are a contractual obligation to faculty and are expended on a rolling three year basis as claimed by faculty.

Tuition Revenue - This source of operating revenue is forecasted to be over budget by \$1,048,363 and has been taken into account in the year end forecast. This forecast is based on actual tuition revenue for the spring and fall semesters and a projection for the winter semester.

Indirect Cost of Research Grant - This revenue source is projected to be over budget by \$156,949. This has been taken into account in the year end forecast.

The 2017-18 budget included a \$6,048,700 general budget reduction. At the October 4, 2017 meeting, an update was provided on the budget reductions implemented to date. At this time, all of the budget reductions have been identified and include:

- the elimination of 10 permanent and 1 contractual faculty positions totalling \$1.7 million or 28% of the total budget reduction.
- the elimination of 22 permanent and 10 contractual administrative positions totalling \$2.7 million or 45% of the total budget reduction.
- reduction in general operating expenditures totalling \$1.6 million or 27% of the total budget reduction. These reductions include office supplies, memberships, travel, and are offset by revenue growth opportunities.

The details of these budget reductions were provided in the background documentation as Appendix B.

CLOSED SESSION – DISCUSSION AGENDA

6500. FINANCE COMMITTEE

A. Budget Planning 2018-19

The Board received and reviewed background information pertaining to "Budget Planning 2018-19".

Board members were advised that the University Administration is engaged in budget planning to address budget constraints over the next three years. This is in preparation for the 2018-19 Provincial Budget, and to address previously announced budget cuts for 2018-19 and 2019-20. A deficit in the operating budget, infrastructure needs, and pension reform must be addressed with a view towards sustainability.

Budget Planning 2018-19 (cont'd)

Meetings on budget planning have been held with the Provincial Government, and the University administration presented to the Executive Committee of the Board of Regents on February 2, 2018.

Operating Budget

The 2017-18 operating grant from the Provincial government is \$315.1M. Transfers to capital of \$9.6M/year (for the Core Science Facility and Animal Resource Centre); 2019 reductions of \$5.1M/year and 2020 reductions of \$1.6M/year, along with the addition of an estimated \$8M for the pension deficit, will currently result in an effective operating budget reduction nearing \$25M/year by 2020.

Infrastructure Needs

Deferred maintenance is the practice of postponing maintenance activities such as repairs on both real property (i.e. infrastructure) and personal property (i.e. machinery) in order to save costs, meet budget funding levels, or realign available budget monies. Facility Cost Index (FCI) is a method of measuring the relative condition of a building or facility. As of the fall of 2017, Memorial's full building portfolio valued at \$1.57B had deferred maintenance of \$452M resulting in an FCI of 29%. The funding required to maintain the current FCI is \$23.1M annually. Spending the full \$7M/year from the recently introduced Infrastructure Fee will result in an FCI of 38% at the end of 10 years. In 20 years it will be 50%. This outcome is unacceptable from quality and risk perspectives.

Pension Reform

Government had been funding annual special payments to the Memorial University Pension Fund of \$20 million. However, in 2015-16 government ceased providing that funding and instead gave the University the ability to defer making the special payment. Government also requested that Memorial negotiate with its unions to move to a Joint Sponsorship model as was done with the other Public Service Pension Plans. The Unions have indicated that settlement of the Plan deficit (approximately \$160 M) is a prerequisite for moving forward with discussions of any Joint Sponsorship model.

Government has indicated that due to current financial constraints, the University should not expect any contribution from the provincial government regarding the deficit. This is a reversal of a commitment made in 2017 where \$6M/year was set aside in the Provincial Budget for that purpose. Therefore, since government is not providing additional operating grant to Memorial to cover an estimated annual \$8M/year payment, the Administration is working towards a solution that would see the deficit funded from the current University operating budget.

Budget Planning 2018-19 (cont'd)

As part of future budget planning, the Provost, through the Integrated Planning Committee, led a University-wide budget consultation process. The University community has provided substantial input and a part of the draft report of the Committee was provided in the background documentation. It was noted that the full report is in progress.

Analysis

Administration is working on a three-year plan to reset current budget constraints so that at the end of three years base budget cuts will cover currently announced cuts for 2018- 19 and 2019-20 and the pension-deficit payment.

The Province asked for a presentation of various tuition revenue models as a potential to further reduce the Provincial operating grant. Such models were presented to the Minister of Advanced Education, Skills and Labour, the Minister of Finance, and the Treasury Board.

Base Budget Reduction Initiatives

A strategic budget reduction program currently in discussion is the offering of a voluntary departure initiative during the 2018 calendar year. This Program could, depending on uptake, result in the reduction of both academic and non-academic positions, and assist with the renewal of faculty. Payback on retirement incentives would be approximately one year depending on the demographics and employment history of those accepting the offer.

Other budget reduction initiatives currently planned or being implemented include:

- Attrition opportunities
- Reduction in SAM level positions (e.g. CIO/Director ITS)
- Consolidation of units to reduce administrative expenses
- Reduction of services (e.g. Printing Services)
- Potential elimination of Preferred Rate Program (Wellness initiative)
- Increasing parking revenue

Addressing Infrastructure

A University Building Steering Committee chaired by the President has been established by Vice-Presidents Council to consider the relocation of units resulting from the opening of the Core Science Building, and the subsequent reduction of the University footprint. The Committee may direct the closure of buildings with higher FCI and prioritize the movement of the academy to better quality space. Reducing the footprint will improve the overall FCI of the campus, but it will include

Budget Planning 2018-19 (cont'd)

one-time costs for demolition. It will focus the currently limited Campus Renewal funding, and future sources of deferred maintenance funding allocation, on the remaining sites. IT infrastructure will also be considered in this process. For example, the University has 16 data centers for which a project of consolidation has been proposed. This consolidation may result in one space requirement for cooling, security, and management; and will free up space in buildings of higher value FCI for the mission of learning, teaching and research.

Pension Reform

Administration continues to meet with the three Unions (NAPE, CUPE and MUNFA) regarding the conversion of the MUN Pension Plan to a Joint Sponsorship model. The Province has asked to sit at the bargaining table as observers to the negotiations and administration has agreed.

6501. EXECUTIVE COMMITTEE

A. Board Meeting Evaluation

The Board received for information results of the evaluation for the Board meeting held on December 7, 2017. The Chair noted that the purpose of the Board meeting evaluation is to ascertain the effectiveness of each Board of Regents meeting, to ensure the inclusiveness of Board members in meeting procedures and to collect Board member feedback to assist in the continuous improvement in the operation of future Board meetings.

B. Action Plan and Summary for the recommendations contained in the Report by Harriet Lewis

The Board received for information the Action Plan and Summary for the recommendations contained in the Harriet Lewis Report. It was noted that an update to the Memorial University community would be forthcoming.

6502. GOVERNANCE COMMITTEE

A. Training on the Culture of Respect

The Board received and reviewed background information pertaining to Training on the Culture of Respect, which was in response to Recommendation #22 from the Harriet Lewis Report as well as part of the ongoing training and professional development activities for Board members. Members were advised that the session is scheduled to be held on April 12, 2018 and the Secretary to the Board would be in contact in this regard.

6503. ANY OTHER BUSINESS

A. Date of Next Meeting

The Chair advised that the next regular meeting of the Board of Regents is scheduled to be held on May 10, 2018.

ADJOURNMENT

The meeting adjourned at 5:35 p.m.

CHAIR

SECRETARY

DATE